

December 26, 2013

Mary's Medicinals
1595 Meadow Wood Lane
Reno, NV 89502

Marla McDade Williams
Deputy Administrator
Nevada Division of Public and Behavioral Health
4150 Technology Way, Suite 104
Carson City, Nevada 89706

RE: Medical Marijuana Proposed Regulations

Dear Ms. McDade Williams:

I represent a start-up company which plans to manufacture CBD-infused products. We have hired the law firm of Gordon Silver to prepare a legal analysis of CBD importation, manufacture, and sale in Nevada. However, this analysis is not yet in final form. When this legal analysis is complete, we would like to submit it to you as a supplement to this letter.

We believe that the federal government does not currently regulate CBD since it is not a psycho-active compound. THC is the psycho-active compound in marijuana. We believe the federal government considers marijuana to be a substance with 1% or more THC. If the substance has less than 1% THC it is generally considered to be hemp and not a controlled substance.

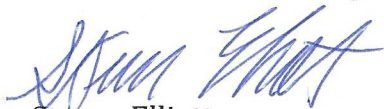
Section 19.3 of SB 374 requires the weight, concentration and content of THC in all marijuana infused products to be clearly and accurately stated on the product sold. Section 19.9 also refers to the concentration of THC. It seems fairly clear that the intent of the medical marijuana law is to regulate THC.

Our business model is to purchase CBD for our manufacturing process which has less than 1% THC. We expect that the CBD will have no THC or only a trace amount. While suppliers state that their CBD is sourced from hemp, we know that CBD can be sourced from hemp and marijuana. In Colorado a strain of marijuana called Charlotte's Web has been developed which contains a high concentration of CBD and a low concentration of THC. Since CBD can be sourced more economically from high CBD strains of marijuana than from hemp, there is always a risk that some marijuana may be used in the production of CBD. Marijuana can be processed to remove THC.

Since our products will be made with CBD which falls below federal standards for THC content, we would like the regulations to make it clear that our business is not subject to classification as a medical marijuana business. If Nevada were to regulate

CBD as marijuana, it would place our business at a competitive disadvantage. CBD and CBD infused products are already marketed nation-wide through Amazon and other on-line retailers. These products are already available in Nevada without regulation. Since it is difficult to prove the actual source of CBD, we would like the regulations to clarify that CBD which contains less than the federal standard for marijuana is not considered marijuana in Nevada. This would remove the risk of our business being classified as a medical marijuana business. We believe our CBD business should be properly classified as a nutraceutical business.

Thank you for your consideration.



Steven Elliott
General Counsel
Mary's Medicinal's
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